

Federally Qualified Health Center Advanced Primary Care Practice Demonstration

Demonstration Design

A. Introduction:

On December 9, 2009, President Barack Obama directed to the Secretary of the Department of Health and Human Services (HHS) to implement a Medicare Federally Qualified Health Center-Advanced Primary Care Practice Demonstration (FQHC APCP) designed to improve quality and efficiency of care and to help avoid preventable emergency and inpatient hospital care. The 3 year demonstration intended for FQHCs from across the country will test the effectiveness of doctors and other health professionals working in teams to improve the care coordination for patients at Federally Qualified Health Centers. It is expected that the demonstration will include almost 200,000 Medicare beneficiaries.

The demonstration is being conducted by the Centers for Medicare and Medicaid Services (CMS) in cooperation with the Health Resources Services Administration (HRSA) and is designed to evaluate the impact of the advanced primary care practice model (also called patient-centered medical home) in improving care, promoting health, and reducing the cost of providing care to Medicare beneficiaries in FQHCs.

CMS will conduct an independent evaluation of this demonstration that will determine whether FQHCs that deliver advanced primary care improve access and quality, promote appropriate use of services, and reduce health care costs.

B. Purpose:

The FQHC APCP demonstration will assess the impact of Medicare paying a care coordination fee to participating FQHC practices, in addition to the established “all inclusive per visit payment amount,” for the FQHC to provide care coordination and management services as would typically be provided in an advanced primary care practice (APCP) also referred to as patient-centered medical home (PCMH). The care management fee would apply to all Medicare beneficiaries who receive medical care from participating FQHCs as long as the beneficiaries remain eligible to participate. CMS will monitor practice changes over time to determine how well participating FQHCs are progressing in providing and expanding the delivery of continuous, comprehensive, and coordinated primary health care.

C. Demonstration Goal

The 3-year Demonstration is designed to evaluate the effect of the advanced primary care practice model, commonly referred to as the patient-centered medical home, in improving care, promoting health, and reducing the cost of care provided to Medicare beneficiaries served by FQHCs.

D. Background

Patient-Centered Medical Home or Advanced Primary Care Practice

A Patient-Centered Medical Home (PCMH) or Advanced Primary Care Practice (APCP) is a physician-based or nurse practitioner-led medical practice that provides continuous, comprehensive, coordinated, and patient-centered medical care. This document will use the term Advanced Primary Care Practice or APCP

when referring to both. An ACP typically is a patient's first source of primary health care and provides the bulk of the patient's health care services.

Becoming an ACP requires that a medical practice change the way it delivers medical care to its patients. This transformation requires considerable thought and planning by a medical practice and may require various levels of investments in both time and money. Practices must shift from an acute care complaint-driven primary care paradigm that fragments health care delivery to one that is geared to maintain the patient's overall health and anticipates when additional services or coordination needs to occur. For example, an ACP practice must be able to offer enhanced access to care through expanded hours, same day appointments, or priority appointments so the patient does not need to seek urgent care through more expensive means, such as the emergency department. In addition, ACP practices are likely to employ a team approach, sometimes consisting of nurse coordinators, physician assistants, pharmacists, and social workers, to coordinate health care and other services, all of which are overseen by a physician or nurse practitioner. In the end, the ACP is based on the relationship between the physician-led or nurse practitioner-led medical team and the patient. Through this relationship the team is aware of all the medical services the patient needs and uses, even if the ACP does not provide those services directly (i.e., specialty care, hospitalizations, emergency care). The patient participates in all decision making and communicates with the team about his or her individual health needs, experiences and treatments. The patient shares information with the team on symptoms or health concerns, as well as visits to other health care providers so that all parties can decide how best to proceed. The ACP team is responsible for coordinating the overall care of the patient across providers and settings to facilitate compliance with the agreed-upon treatment plan.

CMS expects that FQHC practices participating in the demonstration not only will have an interest in serving as medical homes to their Medicare patients but also are willing to make the necessary practice transformations to become fully functioning advanced primary care practices.

A description of the functions of a medical home is contained in the Joint Principles of the Patient Centered Medical Home which were adopted in February of 2007, by the American College of Physicians (ACP), the American Academy of Family Physicians (AAFP), the American Osteopathic Association (AOA), and the American Academy of Pediatrics (AAP). www.acponline.org

E. Demonstration Design Overview:

The FQHC ACP Demonstration design includes the following components:

1. Practice Recruitment
2. Application and Submission
3. Demonstration Implementation
4. Demonstration Monitoring and Evaluation

Practice Recruitment

CMS will accept applications from FQHCs to participate in the demonstration from June 6, 2011, through September 9, 2011. All demonstration-related readiness assessments, which are part of the application process, must be submitted not later than 11:59pm on September 16, 2011. CMS expects to select up to 500 FQHC practices that meet all eligibility requirements for participation.

Practice Eligibility Requirements

To participate in the FQHC/ACP demonstration interested FQHCs must meet certain general eligibility requirements. Specifically, an FQHC:

- Must be in an individual (brick and mortar) physical location. (Multiple locations will not be considered under a single application.)
- Must be a current FQHC with a valid Provider Transaction Account (PTAN) number from CMS.
- Must not currently be under a corrective action plan for serious financial or safety issues according to HRSA.
- Must be a physician-based or nurse practitioner-led practice. (Clinical decisions and oversight are provided by one of these clinicians.)
- Must be providing primary care services (as opposed to only providing specialty service, such as dental or vision care.)
- Must provide primary care services to a general population and not exclusively to migrant workers or to the homeless.
- Must have provided medical services to at least 200 unique, qualified fee-for-service Medicare beneficiaries (with both Part A and Part B coverage, not Medicare Advantage) in the most recent 12 months for which CMS has data, including those with both Medicare and Medicaid (dual eligible) coverage.
- Must not be participating in another Medicare medical home of advanced primary care practice demonstration. (This is likely to exclude FQHCs participating in the Multi-Payer Advanced Primary Care Practice Demonstration.)
- Must agree to participate in the evaluation of the demonstration.

CMS requires that participating FQHCs be an individual physical location that is identified by and submits claims using an individual provider number; not submitting claims under another provider number or group number. FQHC sites with satellite or mobile locations may not include those sites under a single application.

CMS and HRSA believe that any FQHC that has been cited for serious financial or safety issues and is under a corrective action plan should not attempt to transform into an advanced primary care practice until the financial and/or safety issues have been resolved. Therefore, those FQHCs will not be eligible to participate in the demonstration.

FQHCs whose clinical direction and oversight is provided by a physician or nurse practitioner, where permitted by law, are eligible to participate in the demonstration. Practices using these clinicians as their directors are eligible for PCMH recognition from NCQA.

FQHCs that provide only specialty services, such as vision care or dental care, are not eligible to participate in the demonstration. CMS requires that the practice be providing broad-based primary health care services.

Eligible FQHCs must have served at least 200 unique, qualified Medicare beneficiaries during the most recent 12-month period for which CMS has data. CMS believes that it is necessary for participating FQHCs to maintain a minimum number of eligible Medicare beneficiaries in order to generate a stable revenue stream to support the necessary ACP transformation. FQHCs with less Medicare penetration will be at a disadvantage as they attempt to transform into an ACP without sufficient financial resources.

An FQHC may not be receiving reimbursement for advanced primary care practice services (patient-centered medical home) from CMS for participating in more than one Medicare demonstration project. FQHCs may receive reimbursement or management fees in association with other third party payer pilot projects or demonstrations.

All participating FQHCs must agree to cooperate with the CMS evaluation contractor which may include providing additional data.

All participating FQHCs must agree to all demonstration Terms and Conditions which include some of the eligibility requirements listed above. Terms and Conditions are posted in the download section of the CMS and Innovation Center Web Sites.

1. Application and Submission

CMS has created a web-based application process. The web site address is provided to eligible FQHCs in the invitation package which is mailed to them at the start of the application period. The application web site provides extensive background information regarding the demonstration, the transformation process, CMS expectations of participants, and application instructions. The information collected at the time of application will be used to identify FQHC practices, gather data about the practice, and capture practice characteristics that will be used in the both recognition process and for baseline evaluation data. In addition, each FQHC will be asked to agree with all demonstration Terms and Conditions. Collecting this information at application minimizes the need to burden participating FQHCs later in the demonstration. All application questions and all Terms and Conditions must be answered and agreed to or the applicant will not be permitted to proceed to subsequent application sections. It is expected that the application can be completed within 60-90 minutes, unless the applicant needs to gather practice information needed to complete the application.

When the application is completed and submitted the applicant will receive an E-Mail containing a demonstration user ID and password to be used for completing a baseline PCMH readiness assessment. The readiness assessment provides a quantifiable starting point for each FQHC participant. The user ID and password will also be used to update the PCMH readiness assessment every 6 months throughout the demonstration. Assessment updates will be compared to baseline and previous assessment scores to determine if FQHCs continue to progress toward Level 3 PCMH recognition or if additional technical assistance or training is needed to meet the demonstration goal.

Customer assistance and technical advice to interested FQHCs in completing the application will be available during the application period. However, the contractor will strictly limit technical advice to instruction in completing the application and will not provide any advice on how to become an advanced primary care practice. After the application period is closed the application web site will no longer be operational.

The application form will be divided into 4 parts, General Application, Practice Survey, Terms and Conditions, and baseline Readiness Assessment Score.

General Application

The information in the General Application will be used to assure that each FQHC applicant meets eligibility criteria, to identify regular communication channels, and to provide baseline practice data for evaluation purposes.

Practice Survey

The Practice Survey portion of the application contains supplemental questions requesting site demographic information such as number and types of clinicians, number of Medicare beneficiaries

treated per year, use of electronic health record, target number of Medicare beneficiaries for enrollment, etc. This information is used for baseline evaluation data.

Terms and Conditions

Terms and Conditions require that the FQHCs agree with all items pertaining to participation in the demonstration. All Terms and Conditions are posted separately on this web site.

Baseline Readiness Assessment

All applicant FQHCs are required to complete a baseline PCMH readiness assessment at the time of application, but not later than 11:59 pm (ET) on Friday, September 16, 2011. Once the FQHC has answered all application questions and agreed to the demonstration Terms and Conditions it will receive a user ID and password via E-Mail and be directed to the NCQA web site where they can access the PCMH readiness assessment. The readiness assessment survey is identical to the NCQA PCMH recognition survey but without providing supporting documentation. There will be no charge to the FQHC to submit the readiness assessment. FQHCs that are already recognized by NCQA or otherwise accredited by a nationally recognized body must still submit a baseline readiness assessment and updated assessment every 6 months.

CMS will use the score from the readiness assessment to establish a baseline from which progress toward achieving Level 3 PCMH recognition can be monitored over the course of the demonstration. Each participating FQHC is also required to complete a readiness assessment update every 6 months throughout the demonstration so that CMS can monitor capability development over time. To update a readiness assessment participating FQHCs only need to reflect changes to previously answered questions and do not have to complete the entire assessment each time. Supporting documentation is also not required for readiness assessment updates. There will be no charge to FQHCs for submission of readiness assessment updates.

Application Assistance

Applicant FQHCs can find assistance with the application and readiness assessment through links on the application web site. Questions about completing the application questions and readiness assessment can be directed to these links throughout the application period. Please Note: All application and readiness assessment assistance will only be available until 5:00pm (ET) on Friday, September 9, 2011, for applications and until 5:00pm (ET) on Friday, September 16, 2011, for readiness assessments. Questions regarding the demonstration design or evaluation must be directed to the FQHC ACP demonstration mailbox fqhc_mh_demo@cms.hhs.gov. (Please note the underscores between the letters.)

Application Review and Participant Selection

All completed applications received by 11:59pm (ET), September 9, 2011, with readiness assessments submitted by 11:59pm (ET), September 16, 2011, will be reviewed for eligibility and participation selections will be made by CMS. FQHCs will be selected to create balance among participants for evaluation purposes using the following criteria: Location (State and region, urban and rural), number of patients (Medicare and non-Medicare), EHR (Yes or No), other payer support, PCMH readiness (based on the baseline readiness assessment), and current recognition or accreditation status. CMS will be looking to include sufficient numbers of all locations, sizes and levels of preparedness. These criteria do not represent any advantage of being selected into the Demonstration.

All applicant FQHCs will be notified as to the disposition of their application by October 10, 2011.

2. Demonstration Implementation

The demonstration will begin on November 1, 2011, following the selection of participating FQHCs.

Beneficiary Verification and Attribution Process

CMS will review Medicare administrative claims data of participating FQHCs to identify beneficiaries who have received services from those FQHCs in the most recent 12-month period (look-back period). These beneficiaries will then be attributed to the appropriate FQHC. In order to be eligible for attribution to an FQHC, Medicare beneficiaries must meet the following criteria:

- Must be enrolled in Medicare Part A and Part B fee-for-service, or be covered as a dually eligible beneficiary during the most current look-back period.
- Must not be covered under a Medicare Advantage plan or Medicaid Managed Care (for dually eligible beneficiaries) during the most current look back period.
- Must receive the majority of their primary care from the FQHC site with which they are attributed over the past 12 consecutive months.
- Must receive advanced primary care services from only one participating FQHC practice
In the event that a beneficiary has received services from more than one participating FQHC in the past 12-month period the beneficiary will be assigned to the FQHC where the majority of their care was received. If a beneficiary has the same number of visits for more than one participating FQHC in the past 12-month period the beneficiary will be assigned to the most recently visited FQHC. Each participating FQHC will be provided with a roster of their assigned beneficiaries using this attribution methodology.

Each participating FQHC will receive a roster of eligible Medicare beneficiaries who are assigned to their practice and for whom they will receive a care management fee. CMS assumes responsibility for the assignment of beneficiaries to participating FQHCs. Participating FQHCs will not be permitted to contest these assignments.

On a quarterly basis, CMS will repeat the administrative claims data review process to add new beneficiaries seen by the FQHC and remove beneficiaries that have become ineligible since the last look-back period from assignment rosters.

Management Fee Payments

Each participating FQHC will receive a quarterly prospective care management fee of \$18 for each beneficiary identified by CMS and attributed to the FQHC. The quarterly fee payment does not require a claim to be submitted and is in addition to, and exclusive of the usual all inclusive per visit payment amount for Medicare covered services. The fee will be paid regardless of whether a beneficiary utilizes any FQHC services during any given month. It will automatically be paid for each enrolled beneficiary as long as the beneficiaries remain eligible to participate in the demonstration. Fees will be electronically transferred to the practice account each quarter after each beneficiary's eligibility has been verified. Quarterly prospective care management fee payments will begin November 15, 2011.

Technical Assistance

CMS and HRSA will provide technical assistance to all participating FQHCs to help with developing PCMH capabilities for the recognition process and to help with practice transformation. All participating FQHCs are expected to actively participate in available trainings and transformational learning systems to reach the goal of Level 3 NCQA recognition by the end of the Demonstration.

CMS and HRSA will make technical assistance available to participating FQHCs to support their transformation and achieve NCQA recognition as a PCMH.

HRSA, through a contract with NCQA, has developed a series of technical assistance and training resources that highlight successful strategies for obtaining and maintaining PCMH recognition status. The training and educational resources that will be available to participating FQHCs include among others:

- Educational and training sessions;
- Webinar(s) on NCQA PCMH recognition standards;

Educational and training sessions, and Webinars will focus on understanding NCQA standards, and mock surveys to gain experience with the NCQA PCMH recognition process and documentation requirements. In addition, CMS is developing transformational learning systems to assist participating FQHCs to successfully transform their practice into a recognized patient-centered medical home. Technical assistance will be provided at no cost to participating FQHCs. Core training modules will be provided on specific topics essential to performing as a patient-centered medical or health home. Topics may include patient-centered care, team-based delivery, the use of data/performance feedback for continuous quality improvement, and improving care transitions. Learning communities or collaboratives will also be created where groups of FQHCs, either identified by geographic area, areas of interest for transformation, or some other criteria participate in a series of webinars, conference calls, or face-to-face meetings to receive additional training, share implementation experiences, and provide support to each other in their transformation.

3. Demonstration Monitoring and Evaluation

Participating FQHCs will be accountable for implementing practice changes necessary to transform into advanced primary care practices. CMS will monitor each participating FQHC's transformation progress by comparing readiness assessment scores at baseline with readiness assessment scores updated every 6 months. In addition, CMS will conduct random site audits to assure that assessment responses are accurate and true. CMS expects that each FQHC will invest the financial resources generated from the quarterly fees paid to facilitate the transformational areas they have chosen.

CMS will also provide cost and utilization data to participating FQHCs periodically throughout the demonstration so each FQHC can monitor the effect of their transformation on Medicare beneficiary outcomes and Medicare costs.

Demonstration Evaluation

CMS will evaluate the results of the Demonstration by analyzing practice change over time. A baseline status will be established using a supplemental survey questionnaire which is administered as part of the application process and initial Readiness Assessment responses. Changes in Readiness Re-Assessments

every 6 months and changes in practice characteristics from baseline will constitute evaluation measurements over time.